S4205-1A

Minnesota

Number of Jobs and Unemployment Rate Both Rise

Minnesota's labor markets displayed mixed signals in May. The number of nonfarm payroll jobs increased sharply, but so did the unemployment rate. Such seemingly contradictory evidence is actually typical for the early stages of an economic recovery. Firms begin to call back workers, but an even faster resurgence in people looking for previously scarce jobs boosts the ranks of the unemployed.

The number of jobs in Minnesota, after seasonal adjustment, went up for the second straight month. Moreover, it was the largest increase since January 1990, and the rise was broad -- with six of the seven major industry sectors contributing. This strongly suggests that the recession in Minnesota is over, but one more monthly increase is probably needed for confirmation. For example, employment increased in both August and September of 1981, during the middle of a economic downturn, but dropped afterwards and didn't reach bottom until over a year later.

The May employment surge mirrors the U.S. pattern; that month saw the first gain in jobs in almost a year. In Minnesota, however, this downturn has been much more benign than in other parts of the nation. Already, there are more jobs in Minnesota than last year this time, while the U.S. job count remains 1.4% lower. The nation experienced 10 straight months of decline while the state had only four months of losses.

Despite the shallow recession and recent job surge, the unemployment rate is higher than a year ago -- as it has been for ten of the last 12 months. May's rise to 5.5% from April's 5.0% can be attributed in part to sampling methodology that causes erratic swings in the series. Unemployment may still be increasing after monthly and seasonal fluctuations are accounted for, because the latest 12-month average is half a percentage point higher than the 12-month period ending in May 1990. Jobs may be on the rise, but the number of people who want them grows faster. Since the start of the year, state labor force growth has remained above three percent.

By Don Hilber

Minnesota Labor Market Review

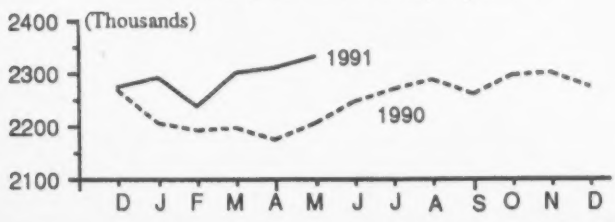
July 1991

Current Labor Force Estimates

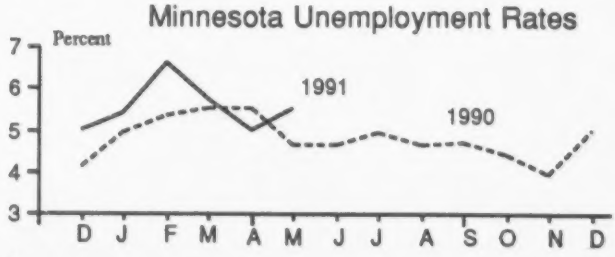
	Minnesota (In Thousands)			% Change From		United States (In Thousands)			% Change From	
	May 91	Apr 91	May 90	Apr 91	May 90	May 91	Apr 91	May 90	Apr 91	May 90
Labor Force	2467.3	2429.8	2376.7	1.5	3.8	124,857	124,727	124,640	0.1	0.2
Employment	2330.9	2307.2	2266.8	1.0	2.8	116,624	116,678	118,277	0.0	-1.4
Unemployment	136.4	122.6	110.0	11.2	24.0	8,203	8,049	6,363	2.3	29.4
Actual Unemp. Rate	5.5	5.0	4.6	-	-	6.6	6.5	5.1	-	-
Seasonally Adj. Rate	-	-	-	-	-	6.9	6.6	5.3	-	-

Minnesota Employment and Unemployment Rates - 1990 and 1991

Minnesota Total Employment



Minnesota Unemployment Rates



Minnesota Nonfarm Wage & Salary Jobs, Hours & Earnings

INDUSTRY	EMPLOYMENT 1/ (thousands)			PERCENT CHANGE FROM		PRODUCTION WORKERS & HOURS & EARNINGS 2/					
						Average Weekly Earnings		Average Weekly Hours		Average Hourly Earnings	
	May 1991	Apr. 1991	May 1990	Apr. 1991	May 1990	May 1991	May 1990	May 1991	May 1990	May 1991	May 1990
Total Nonfarm Wage and Salary	2,148.4	2,112.8	2,141.8	1.7	0.3	-	-	-	-	-	-
Goods Producing	474.3	461.6	485.6	2.8	-2.3	-	-	-	-	-	-
Mining	8.6	8.2	8.2	4.9	4.3	660.70	608.37	43.9	43.3	15.05	14.05
Metal Mining	6.4	6.5	6.1	-1.0	4.9	705.43	634.61	44.2	43.2	15.96	14.69
Construction	76.3	67.7	81.5	12.7	-6.5	645.96	632.27	38.2	38.6	16.91	16.38
Manufacturing	389.5	385.7	395.9	1.0	-1.6	457.65	449.27	39.9	39.9	11.47	11.26
Durable Goods	222.1	218.8	230.5	1.5	-3.6	468.69	457.48	40.3	40.2	11.63	11.38
Lumber and Furniture	22.4	21.9	22.4	2.0	-0.2	522.00	487.08	40.0	36.9	13.05	13.20
Stone, Clay and Glass	8.4	7.8	9.0	7.9	-6.3	484.21	482.69	41.0	41.9	11.81	11.52
Primary Metals	6.2	6.1	6.4	1.8	-3.6	465.16	467.58	40.1	41.6	11.60	11.24
Fabricated Metals	33.5	33.5	34.6	0.0	-3.1	488.78	484.46	40.8	42.2	11.98	11.48
Industrial Machinery	73.6	73.4	77.3	0.2	-4.8	495.29	467.60	40.3	40.0	12.29	11.69
Office and Computing	32.4	32.1	34.3	0.9	-5.6	521.42	480.48	42.6	41.6	12.24	11.55
Electronic Equipment	29.1	29.0	30.0	0.5	-2.9	392.23	394.54	40.9	40.3	9.59	9.79
Transportation Equipment	10.5	8.7	11.5	20.7	-8.9	460.03	509.88	38.4	42.0	11.98	12.14
Instruments and Related	32.6	32.5	32.9	0.1	-0.9	439.83	424.76	40.5	40.3	10.86	10.54
Misc. Manufacturing	5.8	5.9	6.3	-1.3	-8.4	371.95	413.00	36.9	38.1	10.08	10.84
Nondurable Goods	167.4	166.9	165.4	0.3	1.2	445.56	438.06	39.5	39.5	11.28	11.09
Food & Beverage Products	48.1	47.6	46.2	1.2	4.2	403.57	391.64	39.8	39.6	10.14	9.89
Textiles & Apparel	4.6	4.6	4.9	0.9	-5.0	278.60	286.28	35.0	34.0	7.96	8.42
Paper Products	34.4	34.4	33.9	0.1	1.4	574.10	556.01	42.4	41.9	13.54	13.27
Printing and Publishing	52.2	52.5	51.6	-0.5	1.3	411.68	430.54	36.4	37.9	11.31	11.36
Chemicals and Petroleum	11.3	11.3	11.9	-0.5	-5.3	588.82	526.73	42.3	40.8	13.92	12.91
Rubber, Plastic & Leather	16.7	16.5	16.9	1.1	-1.4	422.66	401.30	41.6	40.7	10.16	9.86
Service Producing	1,674.0	1,651.3	1,656.2	1.4	1.1	-	-	-	-	-	-
Transp., Comm., & Util.	109.3	107.8	109.5	1.3	-0.2	-	-	-	-	-	-
Transportation	74.6	73.4	74.8	1.7	-0.2	-	-	-	-	-	-
Trucking & Warehousing	26.8	26.2	27.3	2.2	-1.8	401.86	411.94	32.2	33.6	12.48	12.26
Communication & Utilities	34.6	34.4	34.7	0.7	-0.1	639.04	595.21	38.8	38.5	16.47	15.46
Trade	516.1	506.7	518.3	1.9	-0.4	245.95	234.61	28.8	29.0	8.54	8.09
Wholesale	126.3	124.9	126.4	1.1	-0.1	418.13	401.84	37.2	36.9	11.24	10.89
Retail	389.9	381.8	391.8	2.1	-0.5	195.15	185.83	26.3	26.7	7.42	6.96
Building Materials	18.6	17.7	18.9	5.1	-1.6	312.57	347.42	35.6	37.6	8.78	9.24
General Merchandise	52.7	52.9	55.8	-0.2	-5.5	193.29	177.46	25.3	25.1	7.64	7.07
Food Stores	55.5	54.2	54.1	2.4	2.6	222.22	195.74	27.1	27.3	8.20	7.17
Automotive	43.5	43.1	43.6	0.9	-0.2	300.96	293.22	34.2	34.7	8.80	8.45
Apparel	19.5	19.2	19.8	1.2	-1.9	117.00	130.20	19.5	21.7	6.00	6.00
Home Furnishings	14.8	14.8	15.3	0.5	-2.7	291.09	275.18	31.3	31.2	9.30	8.82
Eating and Drinking	134.5	129.9	134.6	3.5	-0.1	128.26	117.45	22.7	22.5	5.65	5.22
Fin., Insur., Real Estate	125.7	125.0	123.8	0.5	1.6						
Finance	57.2	56.9	56.2	0.6	1.7						
Insurance	47.0	47.1	46.3	-0.1	1.6						
Real Estate	21.4	21.0	21.2	1.9	1.1						
Services	570.3	563.4	553.5	1.2	3.0						
Personal Services	25.0	25.8	24.8	-3.1	0.7						
Business Services	94.2	92.5	93.0	1.8	1.2						
Repair Services	23.4	23.5	23.1	-0.1	1.3						
Health Services	171.5	171.0	165.5	0.3	3.6						
Nursing Homes	44.0	43.9	43.5	0.3	1.0						
Hospitals	57.2	57.3	55.5	-0.2	2.9						
Legal Services	16.0	16.0	15.7	0.4	2.3						
Private Education	35.4	35.8	35.0	-1.2	1.0						
Government	352.7	348.3	351.2	1.3	0.4						
Federal	33.9	33.9	38.2	0.1	-11.3						
State	87.9	87.6	87.4	0.4	0.6						
Education	50.3	50.1	49.6	0.3	1.5						
Local	230.9	226.8	225.5	1.8	2.4						
Education	125.3	123.4	122.7	1.5	2.1						

Note: Not all industry sub-groups are shown for every major industry category.

1/ Totals may not add because of rounding.

2/ Average earnings data are on a "gross" basis and are derived from reports of payroll for full-time and part-time production or non-supervisory workers. The payroll is reported before deductions of any kind. Bonuses, retroactive pay, tips, payment in kind, and "fringe benefits" are excluded.

Minneapolis-St. Paul MSA

Despite Increase in Jobless Rate, Signs of Recovery Evident

The unemployment rate for the Minneapolis-St. Paul metropolitan area rose to 5.1% in May, an increase of 0.6 of a percentage point from the April rate of 4.5%. The area's jobless rate has fluctuated erratically during 1991, but remains below statewide and national rates of 5.5 and 6.6% respectively.

Over the past 10 years, the number of employed workers has increased by an average of 0.7% between April and May. This year the number of employed remained unchanged. The underlying trend is apparent despite the wild fluctuations in the unemployment rate, is that although employment growth in the Twin Cities is stronger than nationally, it is too sluggish to handle the number of jobseekers in the local area. Through the first five months of 1991, the number of employed metro area residents is running about 1.4% ahead of a year ago.

Nationally, employment has dropped by an average of 1.0% during the same period. The number of unemployed is running about 16% higher than a year ago locally, compared to nearly 26% for the nation.

While the labor force series does not show any definite trend towards improvement, the May survey of metro area firms indicates that labor market conditions are improving. On a seasonally adjusted basis, total nonfarm jobs rose briskly for the second consecutive month.

That both goods-producing and service-producing industries contributed to the overall gain was an additionally encouraging.

Goods-producing employment rose for the first time in 14 months owing to both construction and manufacturing. The increase in construction jobs was modest, but May was a very rainy month which probably curtailed activity somewhat. Despite recent signs of recovery, the construction industry experienced a 7.5% job decline, the greatest relative loss in any major industry during the past year.

The manufacturing industry, particularly of durable goods added substantial numbers of jobs for the third straight month. Again, the gains were across many of the durable groups, but the strongest rebound was in the transportation equipment industry. From February through April, a major firm had ceased production one week each month to control inventory. These shut-downs occurred during the reference week of our employer survey and, therefore, lowered the employment estimate.

There was a resurgence of retail trade employment during May. On a seasonally-adjusted basis, retail trade grew strongly after a period of retrenchment during the past nine months. Job growth was unusally strong over the month in both building materials and eating and drinking establishments, but department stores continued to trim jobs. Nearly 2,000 jobs in business serviceswere created. About 1,400 of these were in the personnel services industry.

Several months ago we proposed that this industry would begin growing at the early stages of a recovery as employers needed to add help. Since January, the number of jobs in the personnel services industry has increased from 21,250 to 23,500 or by 10.6%, but still about 4,150 jobs below its peak in June 1989.

By Bruce Steuernagel

Labor Force Estimates

	Employment			Unemployment			Unemp. Rate		
	May 1991	Apr. 1991	May 1990	May 1991	Apr. 1991	May 1990	May 1991	Apr. 1991	May 1990
Mpls-St. Paul	1,351,302	1,351,585	1,335,213	72,109	63,087	58,164	5.1	4.5	4.2
REGION 11	1,269,092	1,269,506	1,253,026	66,943	56,610	54,066	5.0	4.3	4.1
Anoka	130,520	130,562	128,868	8,249	7,301	6,390	5.9	5.3	4.7
Carver	24,320	24,328	24,012	1,217	1,158	850	4.8	4.5	3.4
Dakota	142,932	142,979	141,123	7,341	6,642	5,547	4.9	4.4	3.8
Hennepin	600,482	600,678	592,880	31,408	25,172	26,192	5.0	4.0	4.2
Ramsey	268,527	268,615	265,127	13,465	11,113	11,064	4.8	4.0	4.0
Scott	28,754	28,763	28,390	1,704	1,770	1,264	5.6	5.8	4.3
Washington	73,557	73,581	72,626	3,559	3,454	2,759	4.6	4.5	3.7
Chisago	14,032	14,036	13,854	1,006	1,256	957	6.7	8.2	6.5
Isanti	11,881	11,885	11,731	1,023	991	691	7.9	7.7	5.6
Wright	32,497	32,508	32,086	2,302	2,572	1,760	6.6	7.3	5.2
St. Croix, WI	23,800	23,651	24,518	833	1,659	691	3.4	6.6	2.7
Bloomington	56,295	56,314	55,583	2,868	2,181	2,249	4.8	3.7	3.9
Minneapolis	198,027	198,092	195,520	11,428	9,197	10,096	5.5	4.4	4.9
St. Paul	138,453	138,498	136,699	8,203	6,875	6,882	5.6	4.7	4.8

Twin Cities Nonfarm Wage & Salary Jobs, Hours & Earnings

INDUSTRY	EMPLOYMENT 1/ (thousands)			PERCENT CHANGE FROM		PRODUCTION WORKERS & HOURS & EARNINGS 2/					
						Average Weekly Earnings		Average Weekly Hours		Average Hourly Earnings	
	May 1991	Apr. 1991	May 1990	Apr. 1991	May 1990	May 1991	May 1990	May 1991	May 1990	May 1991	May 1990
Total Nonfarm Wage and Salary	1,379.5	1,360.6	1,376.4	1.4	0.2	-	-	-	-	-	-
Goods Producing	302.4	296.4	312.7	2.0	-3.3	-	-	-	-	-	-
Mining	0.5	0.5	0.7	1.5	-18.3	659.20	688.42	40.0	42.6	16.48	16.16
Construction	47.4	43.4	51.3	9.3	-7.5	680.03	670.65	36.6	37.3	18.58	17.98
Manufacturing	254.5	252.5	260.8	0.8	-2.4	484.40	474.36	40.0	40.2	12.11	11.80
Durable Goods	149.2	147.3	156.3	1.3	-4.5	494.86	477.59	40.2	40.1	12.31	11.91
Lumber and Furniture	9.4	9.2	9.5	2.0	-1.3	590.32	547.60	40.6	37.1	14.54	14.76
Stone, Clay and Glass	2.8	2.6	2.9	6.2	-5.1	459.31	522.70	38.5	40.9	11.93	12.78
Primary Metals	4.5	4.3	4.6	2.9	-2.9	462.08	454.44	39.8	41.2	11.61	11.03
Fabricated Metals	25.3	25.4	26.3	-0.3	-3.7	512.50	491.83	41.0	41.4	12.50	11.88
Industrial Machinery	51.0	50.8	54.5	0.2	-6.4	521.78	499.69	39.8	40.2	13.11	12.43
Office and Computing	20.8	20.6	23.1	0.7	-10.0	570.62	574.67	40.1	42.6	14.23	13.49
Electronic Equipment	18.0	18.2	18.8	-0.7	-4.0	410.46	392.03	40.4	39.4	10.16	9.95
Transportation Equipment	4.9	3.3	5.7	46.5	-15.0	616.59	665.76	40.3	43.4	15.30	15.34
Instruments and Related	29.4	29.4	29.7	0.2	-0.8	453.69	442.67	40.4	40.5	11.23	10.93
Misc. Manufacturing	4.0	4.0	4.3	-2.1	-7.7	428.88	448.25	36.5	37.7	11.75	11.89
Nondurable Goods	105.3	105.2	104.5	0.1	0.7	470.45	469.09	39.7	40.3	11.85	11.64
Food & Beverage Products	18.8	18.4	18.3	2.0	2.6	487.89	487.73	41.7	43.2	11.70	11.29
Paper Products	26.2	26.2	26.0	0.1	1.0	504.60	491.26	40.4	40.3	12.49	12.19
Printing and Publishing	37.4	37.6	36.5	-0.6	2.5	423.89	456.25	36.7	38.6	11.55	11.82
Chemicals and Petroleum	9.8	9.9	9.9	-0.9	-1.3	642.00	579.36	42.8	40.6	15.00	14.27
Rubber and Plastic	11.0	11.0	11.2	0.0	-1.8	444.32	425.04	42.6	42.0	10.43	10.12
Service Producing	1,077.1	1,064.2	1,063.8	1.2	1.3	-	-	-	-	-	-
Transp. Comm., & Util.	76.2	75.3	76.9	1.1	-1.0	-	-	-	-	-	-
Transportation	54.7	53.9	55.3	1.4	-1.2	-	-	-	-	-	-
Trucking & Warehousing	16.4	16.2	17.4	1.6	-5.7	392.62	381.60	29.3	31.1	13.40	12.27
Communication & Utilities	21.5	21.4	21.6	0.5	-0.6	618.37	581.79	38.6	38.1	16.02	15.27
Trade	326.1	321.5	329.2	1.5	-0.9	277.54	267.90	29.4	29.8	9.44	8.99
Wholesale	83.6	82.6	84.1	1.2	-0.6	466.35	452.70	37.1	37.6	12.57	12.04
Retail	242.6	238.8	245.2	1.6	-1.1	219.24	211.80	27.0	27.4	8.12	7.73
Building Materials	10.9	10.2	11.1	6.3	-2.1	369.77	428.00	35.9	40.0	10.30	10.70
General Merchandise	36.8	36.9	39.5	-0.2	-6.8	213.44	195.05	25.5	25.2	8.37	7.74
Food Stores	30.1	29.7	29.5	1.5	2.0	269.23	263.06	28.4	29.1	9.48	9.04
Automotive	25.3	25.1	25.1	0.6	0.6	353.40	329.00	37.2	35.8	9.50	9.19
Apparel	13.1	12.9	13.2	1.4	-0.9	117.98	132.71	19.5	21.2	6.05	6.26
Home Furnishings	10.1	10.1	10.7	0.1	-5.0	337.05	312.94	31.5	31.2	10.70	10.03
Eating and Drinking	84.5	82.3	84.7	2.6	-0.2	147.82	135.46	23.5	23.6	6.29	5.74
Fin., Insur., Real Estate	98.0	97.5	96.4	0.5	1.6						
Finance	41.3	41.0	40.7	0.8	1.5						
Insurance	39.3	39.4	38.7	-0.1	1.6						
Real Estate	17.4	17.2	17.0	1.3	2.1						
Services	382.5	378.2	369.1	1.1	3.6						
Personal Services	17.7	18.4	17.6	-3.5	0.6						
Business Services	81.7	79.8	80.1	2.4	2.0						
Repair Services	17.2	17.2	17.0	-0.1	0.8						
Health Services	97.2	96.9	93.6	0.4	3.8						
Nursing Homes	22.8	22.8	22.8	0.2	0.0						
Hospitals	34.1	34.0	33.1	0.2	2.8						
Legal Services	13.1	13.1	12.6	-0.1	4.5						
Private Education	19.6	19.9	19.4	-1.3	1.4						
Government	194.3	191.7	192.1	1.3	1.1						
Federal	21.2	21.2	23.6	-0.1	-10.4						
State	56.6	56.6	56.1	0.0	0.8						
Education	32.7	32.5	32.0	0.6	2.2						
Local	116.5	113.9	112.3	2.3	3.7						
Education	63.5	62.1	61.2	2.2	3.8						

Note: Not all industry sub-groups are shown for every major industry category.

1/ Totals may not add because of roundings.

2/ Average earnings data are on a "gross" basis and are derived from reports of payroll for full-time and part-time production or non-supervisory workers. The payroll is reported before deductions of any kind. Bonuses, retroactive pay, tips, payment in kind, and "fringe benefits" are excluded.

Southern Minnesota

Labor Force Estimates

	Employment			Unemployment			Unemp. Rate		
	May 1991	Apr. 1991	May 1990	May 1991	Apr. 1991	May 1990	May 1991	Apr. 1991	May 1990
REGION 6W	25,882	25,031	24,203	1,118	1,282	931	4.1	4.9	3.7
Big Stone	3,030	2,890	2,818	157	182	119	4.9	5.9	4.1
Chippewa	7,354	7,060	6,932	317	368	269	4.1	5.0	3.7
Lac Qui Parle	4,394	4,249	4,026	101	147	132	2.2	3.3	3.2
Swift	5,022	4,933	4,748	320	317	222	6.0	6.0	4.5
Yellow Med.	6,082	5,899	5,679	223	268	189	3.5	4.3	3.2
REGION 8	65,822	63,623	61,136	2,513	2,455	2,449	3.7	3.7	3.9
Cottonwood	6,489	6,329	6,160	371	313	201	5.4	4.7	3.2
Jackson	6,066	5,844	5,508	295	310	243	4.6	5.0	4.2
Lincoln	3,543	3,368	3,226	150	147	145	4.1	4.2	4.3
Lyon	13,499	13,040	12,467	505	517	414	3.6	3.8	3.2
Murray	5,311	5,000	4,834	190	222	217	3.5	4.3	4.3
Nobles	12,231	11,974	11,501	334	309	367	2.7	2.5	3.1
Pipestone	5,336	5,210	5,119	227	227	360	4.1	4.2	6.6
Redwood	8,073	7,790	7,546	301	284	321	3.6	3.5	4.1
Rock	5,274	5,068	4,775	140	126	181	2.6	2.4	3.7
REGION 9	114,733	112,415	108,491	6,040	5,458	4,191	5.0	4.6	3.7
Blue Earth	29,062	28,882	28,000	1,128	990	772	3.7	3.3	2.7
Brown	14,723	14,223	13,642	655	646	533	4.3	4.3	3.8
Faribault	7,942	7,596	7,432	596	524	359	7.0	6.5	4.6
LeSueur	10,985	10,687	10,391	981	937	659	8.2	8.1	6.0
Martin	12,078	11,782	11,538	994	711	590	7.6	5.7	4.9
Nicollet	15,864	15,766	15,284	536	501	472	3.3	3.1	3.0
Sibley	7,267	6,969	6,641	375	443	292	4.9	6.0	4.2
Waseca	10,501	10,261	9,541	466	420	323	4.2	3.9	3.3
Watonwan	6,311	6,249	6,022	309	286	191	4.7	4.4	3.1
REGION 10	231,466	227,850	220,811	11,470	10,108	9,785	4.7	4.2	4.2
Dodge	8,293	8,046	8,201	499	522	380	5.7	6.1	4.4
Fillmore	10,703	10,361	9,708	676	673	525	5.9	6.1	5.1
Freeborn	16,197	16,079	15,071	1,099	923	2,239	6.4	5.4	12.9
Goodhue	22,314	22,126	20,998	991	896	786	4.3	3.9	3.6
Houston	9,839	9,421	9,453	488	543	318	4.7	5.4	3.3
Mower	18,657	18,341	17,407	810	605	717	4.2	3.2	4.0
Olmsted	64,395	64,135	62,116	2,335	1,939	1,919	3.5	2.9	3.0
Rice	28,341	27,963	27,291	1,540	1,405	900	5.2	4.8	3.2
Steele	16,807	16,269	16,056	934	827	510	5.3	4.8	3.1
Wabasha	9,256	8,925	8,631	620	494	426	6.3	5.2	4.7
Winona	26,664	26,184	25,879	1,478	1,281	1,065	5.3	4.7	4.0
Rochester Cty	40,063	39,902	38,645	1,696	1,355	1,442	4.1	3.3	3.6

Rochester MSA Nonfarm Wage & Salary Jobs

Industry	Employment			% Change From	
	May 1991	Apr. 1991	May 1990	Month Ago	Year Ago
Total Nonfarm Wage and Salary	67,257	66,621	65,958	1.0	2.0
Goods Producing	14,042	13,809	14,212	1.7	-1.2
Construction and Mining	2,259	2,044	2,228	10.5	1.4
Manufacturing	11,783	11,765	11,984	0.2	-1.7
Durable Goods	9,912	9,883	10,080	0.3	-1.7
Nondurable Goods	1,871	1,882	1,904	-0.6	-1.7
Service Producing	53,215	52,812	51,746	0.8	2.8
Transp., Comm., & Util.	1,898	1,900	1,880	-0.1	1.0
Trade	13,407	13,211	13,260	1.5	1.1
Wholesale	1,662	1,635	1,651	1.7	0.7
Retail	11,745	11,576	11,609	1.5	1.2
Finan., Insur., & Re. Estate	1,797	1,785	1,818	0.7	-1.2
Services	28,990	28,884	27,603	0.4	5.0
Health	19,503	19,448	18,532	0.3	5.2
Other Services	9,487	9,436	9,071	0.5	4.6
Government	7,123	7,032	7,185	1.3	-0.9

Unemployment Rates Rise In May

Unemployment rates rose over the year in Regions 6W, 9, and 10. Over the month, they rose in Regions 9 and 10.

The rise in unemployment rates over April may have been exaggerated when our labor force estimates were calibrated to the Minnesota portion of the Current Population Survey. The relatively small state sample of 800 households can cause significant sampling error.

The Rochester MSA's unemployment rate increased from 2.9% in April to 3.5% in May. Normally, the rate drops between April and May. Unemployment claims and other data do not suggest that the jobless rate dipped that strongly in April. Discounting April, the average unemployment rate so far during 1991 is 3.4% compared to 3.3% for the first five months of 1990.

Payroll job creation in the Rochester MSA speeded up in May over April, although over-the-year growth was slower. The establishment-based estimate of jobs shows a 2.0% increase between April and May compared to 0.2% March and April. Over the year, however, payroll jobs were up 2.0% over last May compared to 2.6% between April 1990 and April 1991.

The only major industry in the Rochester MSA to add significant jobs over the month was construction/mining which jumped 10.5%. Much of that was seasonal, but still remarkable in light of the stagnation the construction industry is experiencing in most other areas of the state and nation. Adding the most jobs over the month, despite growing only 1.5%, was retail trade with 169 more workers. Compared with last May, manufacturing employed 1.7% fewer workers, and finance/insurance/real estate and government were down slightly. The service industry--both health and other--created 1,386 jobs, enough to override other job losses and net the MSA its 1,299 additional payroll jobs since last May.

By Ron Daws

Central and Northwest Minnesota

Labor Force Estimates

	Employment			Unemployment			Unemp. Rate		
	May 1991	Apr. 1991	May 1990	May 1991	Apr. 1991	May 1990	May 1991	Apr. 1991	May 1990
REGION 1	43,395	41,621	41,165	4,103	4,189	3,645	8.6	9.1	8.1
Kittson	2,714	2,603	2,418	221	215	210	7.5	7.6	8.0
Marshall	4,991	4,696	4,621	689	759	629	12.1	13.9	12.0
Norman	3,720	3,555	3,512	352	315	214	8.6	8.1	5.7
Pennington	6,705	6,309	6,579	691	658	794	9.3	9.4	10.8
Polk	14,314	13,942	13,641	1,453	1,148	1,189	9.2	7.6	8.0
Red Lake	1,647	1,581	1,544	285	267	289	14.9	14.4	15.8
Roseau	9,304	8,935	8,850	408	827	320	4.2	8.5	3.5
REGION 2	32,574	31,123	30,987	2,944	2,871	2,250	8.3	8.4	6.8
Beltrami	16,846	16,362	16,154	1,338	1,217	1,016	7.4	6.9	5.9
Clearwater	3,595	3,242	3,394	614	669	487	14.6	17.1	12.5
Hubbard	7,303	6,960	7,038	637	653	499	8.0	8.6	6.6
Lake of Woods	2,233	2,051	1,984	91	82	75	3.9	3.8	3.6
Mahnomen	2,597	2,508	2,417	264	250	173	9.2	9.1	6.7
REGION 4	102,193	99,253	97,362	5,931	6,134	4,786	5.5	5.8	4.7
Becker	14,259	13,741	13,671	1,076	1,101	827	7.0	7.4	5.7
Clay	25,627	25,608	24,925	1,295	1,353	1,001	4.8	5.0	3.9
Douglas	15,934	15,433	15,305	891	859	796	5.3	5.3	4.9
Grant	3,222	3,074	2,949	177	224	179	5.2	6.8	5.7
Otter Tail	26,804	25,669	25,091	1,713	1,770	1,312	6.0	6.5	5.0
Pope	4,988	4,778	4,706	330	355	271	6.2	6.9	5.4
Stevens	5,590	5,389	5,219	134	155	132	2.3	2.8	2.5
Traverse	2,204	2,109	2,082	107	113	103	4.6	5.1	4.7
Wilkin	3,565	3,452	3,414	208	204	165	5.5	5.6	4.6
REGION 5	63,330	59,978	59,825	5,226	5,456	4,145	7.6	8.3	6.5
Cass	9,579	8,616	8,719	963	971	766	9.1	10.1	8.1
Crow Wing	22,830	21,483	22,043	1,548	1,583	1,236	6.3	6.9	5.3
Morrison	14,465	14,080	13,711	1,330	1,527	1,087	8.4	9.8	7.3
Todd	11,369	10,889	10,467	917	930	745	7.5	7.9	6.6
Wadena	5,087	4,910	4,885	468	445	311	8.4	8.3	6.0
REGION 6E	57,619	56,203	53,332	3,570	3,235	2,798	5.8	5.4	5.0
Kandiyohi	21,421	20,947	19,940	1,014	921	843	4.5	4.2	4.1
McLeod	17,373	17,201	16,298	1,004	847	765	5.5	4.7	4.5
Meeker	9,037	8,768	8,459	975	980	623	9.7	10.1	6.9
Renville	9,788	9,287	8,635	577	487	567	5.6	5.0	6.2
REGION 7E	52,826	51,886	50,872	4,633	4,816	3,645	8.1	8.5	6.7
Chisago	14,032	14,036	13,854	1,006	1,256	957	6.7	8.2	6.5
Isanti	11,881	11,885	11,731	1,023	991	691	7.9	7.7	5.6
Kanabec	5,619	5,365	5,340	756	691	585	11.9	11.4	9.9
Mille Lacs	11,025	10,710	10,116	824	820	572	7.0	7.1	5.4
Pine	10,269	9,890	9,831	1,024	1,058	840	9.1	9.7	7.9
REGION 7W	132,048	130,836	126,869	9,159	8,781	7,148	6.5	6.3	5.3
Benton	15,700	15,507	14,948	1,118	1,049	873	6.6	6.3	5.5
Sherburne	19,295	19,058	18,371	1,669	1,402	1,152	8.0	6.9	5.9
Stearns	64,556	63,763	61,464	4,070	3,758	3,363	5.9	5.6	5.2
Wright	32,497	32,508	32,086	2,302	2,572	1,760	6.6	7.3	5.2
St. Cloud MSA	99,552	98,328	94,783	6,858	6,209	5,389	6.4	5.9	5.4

St. Cloud MSA Nonfarm Wage & Salary Jobs

Industry	Employment			% Change From	
	May 1991	Apr. 1991	May 1990	Month Ago	Year Ago
Total Nonfarm Wage and Salary	80,676	79,565	79,767	1.4	1.1
Goods Producing	17,992	17,781	18,487	1.2	-2.7
Construction and Mining	3,302	3,128	3,957	5.6	-16.6
Manufacturing	14,690	14,653	14,530	0.3	1.1
Durable Goods	8,555	8,558	8,424	0.0	1.6
Nondurable Goods	6,135	6,095	6,106	0.7	0.5
Service Producing	62,684	61,784	61,280	1.5	2.3
Transp., Comm., & Util.	4,096	4,021	3,982	1.9	2.9
Trade	23,272	23,075	22,670	0.9	2.7
Wholesale	3,688	3,651	3,775	1.0	-2.3
Retail	19,584	19,424	18,895	0.8	3.6
Finan., Insur., & Re. Estate	2,544	2,516	2,399	1.1	6.0
Services	18,738	18,432	18,401	1.7	1.8
Health	6,234	6,211	5,691	0.4	9.5
Other Services	12,504	12,221	12,710	2.3	-1.6
Government	14,034	13,740	13,828	2.1	1.5

Job Are Being Created, But Not Fast Enough To Accomodate the Number of People Seeking Work

According to the labor force figures, jobs are being created in all of the regions at a fairly energetic clip. Increases since last May ranged from 3.8% more jobs in Region 7E all the way to 8.0% more in Region 6E. Those may be over-estimates produced by sampling error in the Minnesota portion of the national Current Population Survey. In the St. Cloud MSA, for example, total employment rose 5.0% over the year, but the employer-based job estimates jobs increased 1.1%.

Coupled with job gains, unemployment rates also rose over the year, and except for Regions 6E and 7W, over the month. Jobs and unemployment can both increase when the economy creates jobs, but not fast enough to satisfy the number of people looking for work.

The unemployment rate did drop dramatically from 8.5% in April to 4.2% in May in Roseau County when workers laid off at a major snowmobile manufacturer returned to work.

In the St. Cloud MSA, construction/mining employment dropped 16.6% over the year owing to the completion of several schools. The fastest growing industries over the year were health services (up 543 or 9.5%), and finance/insurance/real estate (up 145 or 6.0%).

Between April and May, there was less job movement in the MSA. Construction/mining increased seasonally 5.6%, but the much larger non-medical services and government added more workers even though increasing just over two percent.

By Ron Daws

Northeast Minnesota

Unemployment Rates Jump in May

Jobless rates rose in May from April, but probably less than the figures suggest. Although Region 3's rate was 7.5% in April and jumped to 8.3% in May, chances are that April's rates were under estimated due to sampling error in Minnesota's portion of the national sample. Our independent estimates are calibrated to those sample results.

Duluth's jobless rate was 6.3% in May compared to last May's 5.3%. Much of that jump was due to the filing of 170 claims for unemployment insurance as result of a major meat processor laying off workers. Still, 6.3% is not an alarmingly high rate; except for 1986, 1988 and 1989, Duluth's rates have been higher during May during the 1980s. In both the region and Duluth, rates rose over the month.

Never during May have more people in the region or in Duluth worked since pre-recessionary 1981. Employment also rose over the month in Region 3 and Duluth. Over the year, employment rose 0.9% in Region 3, and 1.3% in Duluth.

Employer-based payroll jobs in the Duluth MSA also continued to increase, albeit slowly. Over both the month and year, jobs were up about one percent. Construction was a major job creator over both periods, rising seasonally (over the month) 13.9%, and annually 5.2%. In many other areas of the state and nation construction flounders.

Over the month there was very little change in nonfarm job levels among major industries, but from May 1990 to May 1991, jobs were generally up except in transportation/communication/utilities and retail trade. Duluth's retail trade sector has softened dramatically over the last two months due to consumer caution.

There were 213 (2.1%) fewer jobs this April than last April, and 398 (3.9%) fewer jobs this May than last May. Retail trade jobs normally increase during April and May. *By Ron Daws*

Labor Force Estimates

	Employment			Unemployment			Unemp. Rate		
	May 1991	Apr. 1991	May 1990	May 1991	Apr. 1991	May 1990	May 1991	Apr. 1991	May 1990
REGION 3	139,951	137,889	138,684	12,719	11,209	10,138	8.3	7.5	6.8
Aitkin	5,596	5,258	5,123	666	638	514	10.6	10.8	9.1
Carlton	12,251	12,090	12,131	1,206	1,095	952	9.0	8.3	7.3
Cook	2,815	2,496	2,569	171	203	209	5.7	7.5	7.5
Itasca	16,917	16,420	16,637	2,070	1,754	1,687	10.9	9.7	9.2
Koochiching	9,093	8,569	10,273	1,142	919	551	11.2	9.7	5.1
Lake	4,509	4,238	4,299	493	461	339	9.9	9.8	7.3
St. Louis	88,770	88,818	87,652	6,971	6,139	5,886	7.3	6.5	6.3
City of Duluth	36,539	38,559	38,053	2,585	2,197	2,132	6.3	5.4	5.3
Balance St. Louis	50,231	50,259	49,599	4,386	3,942	3,754	8.0	7.3	7.0

Duluth & Duluth Superior MSA Nonfarm Wage & Salary Jobs

Industry	DULUTH Employment			DULUTH % Change From		DULUTH SUPERIOR Employment			DULUTH SUPERIOR % Change From	
	May 1991	Apr. 1991	May 1990	Month Ago	Year Ago	May 1991	Apr. 1991	May 1990	Month Ago	Year Ago
Total Nonfarm Wage and Salary	50,129	49,671	49,653	0.9	1.0	98,680	97,636	98,343	1.1	0.3
Goods Producing	6,075	5,860	5,855	3.7	3.8	17,804	17,264	17,212	3.1	3.4
Mining	Small combined with construction					5,431	5,367	5,196	1.2	4.5
Construction	1,815	1,593	1,725	13.9	5.2	3,428	2,951	3,535	16.2	-3.0
Manufacturing	4,260	4,267	4,130	-0.2	3.1	8,945	8,946	8,481	0.0	5.5
Durable Goods	1,626	1,591	1,591	2.2	2.2	4,662	4,632	4,451	0.6	4.7
Nondurable Goods	2,634	2,676	2,539	-1.6	3.7	4,283	4,314	4,030	-0.7	6.3
Service Producing	44,054	43,811	43,798	0.6	0.6	80,876	80,372	81,131	0.6	-0.3
Transp., Comm., & Util.	3,015	2,945	3,183	2.4	-5.3	5,860	5,777	6,041	1.4	-3.0
Trade	11,677	11,674	11,974	0.0	-2.5	23,850	23,726	24,721	0.5	-3.5
Wholesale	1,888	1,896	1,787	-0.4	5.7	3,956	3,934	3,899	0.6	1.5
Retail	9,789	9,778	10,187	0.1	-3.9	19,894	19,792	20,822	0.5	-4.5
Finan., Insur., & Re. Estate	1,992	1,978	1,933	0.7	3.1	3,296	3,286	3,178	0.3	3.7
Services	15,017	14,968	14,471	0.3	3.8	24,956	25,013	24,446	-0.2	2.1
Health	6,193	6,184	5,899	0.1	5.0	9,842	10,015	9,584	-1.7	2.7
Other Services	8,824	8,784	8,572	0.5	2.9	15,114	14,998	14,862	0.8	1.7
Government	12,353	12,246	12,237	0.9	0.9	22,914	22,570	22,745	1.5	0.7

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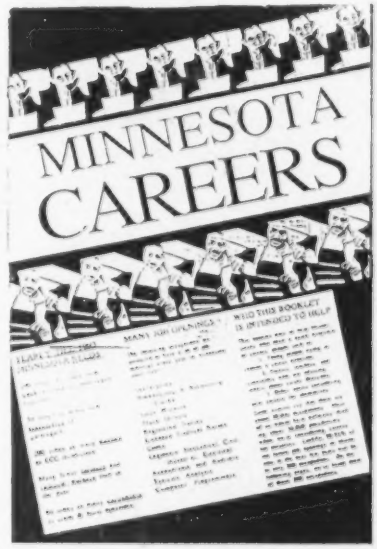
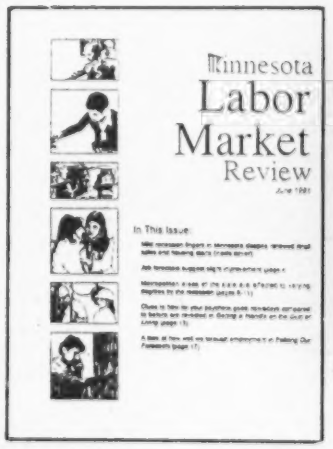
For Your Information

If you've been a reader of our publications over the years, you probably noticed that we periodically revise them. While we will continue to look for better ways to structure and produce them (often in the face of shrinking budgets), three of our publications have already walked away with top honors at the 1991 Labor Market Information Publication Awards, sponsored by the Interstate Conference of Employment Security Agencies (ICESA). Competing with our counterparts in all 50 states, we won first place for *Minnesota Employment 1990*. Two other publications, *Minnesota Careers* and this *Minnesota Labor Market Review* , were among the top five in their respective categories.





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